IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Patent No.: **6,856,975**

Application No.: **09/540,193**

Applicant: **Frank Inglis** | Group Art Unit: **3624**

Assignee: **Verify & Protect, Inc.** | Examiner: **Weisberger, Richard C**

Filed: **March 30, 2000**

Granted: **February 15, 2005**

For: **SYSTEM, METHOD, AND ARTICLE OF MANUFACTURE FOR SECURE TRANSACTIONS UTILIZING A COMPUTER NETWORK**

FILED ELECTRONICALLY

United States Patent and Trademark Office
Customer Service Window, Mail Stop Petition
Randolph Building
401 Dulany Street
Alexandria, VA 22314

REQUEST FOR RECONSIDERATION OF PETITION UNDER 37 C.F.R. 1.378(b) FOR ACCEPTANCE OF UNAVOIDABLY DELAYED MAINTENANCE FEE PAYMENT

Petitioner Verify and Protect, Inc. ("VPI") respectfully requests reconsideration of the decision on a petition under 37 C.F.R. 1.378(b) to accept an unavoidably delayed payment of a maintenance fee for U.S. Patent No. 6,856,975 (the "'975 patent"). A confluence of events, involving third party breaches of obligations and record keeping problems outside the control of VPI, created a situation that resulted in an unavoidably delayed payment by the assignee. The patent attorney of record, who properly maintained a docket system tracking the '975 patent, sent correspondence to the latest known address of the assignee, but it was never received by the

assignee. To further complicate the matter, at the time the notice was sent, VPI was not in control of the assets of VPI, including the ‘975 patent, and the responsibility for the ‘975 patent, including payment of the maintenance fee, had been transferred to a third party, Infraegis, which had purported to acquire, by merger, all of the assets of VPI. Despite the fact that Infraegis had taken over the management of the assets of VPI in 2005, it apparently failed to inform the patent attorney of record of any change of address for notices relating to ‘975 patent. At the time the patent attorney of record sent notice of the maintenance fee, Infraegis was still in control of the assets of VPI, including the ‘975 patent. Infraegis breached its obligations to VPI, failed to pay the full consideration for the acquisition of VPI, and otherwise failed to complete the terms of the merger despite having taken control of the management of the business and assets of VPI. VPI later engaged in litigation with Infraegis over the merger and was able to take back control of VPI in April 2008 through a General and Mutual Release (“2008 Release”) between VPI and Infraegis. *See* Exhibit A. Unfortunately, VPI did not have control at the time that the patent attorney of record sent the notice of maintenance fee and never received notice from either the attorney or from Infraegis.

VPI Believed that Infraegis Was Actually Responsible for the ‘975 Patent

VPI had designed and produced the DeepCloak™ technology, a self-contained technology that authenticates users, generates all keys dynamically, encrypts data and creates digital signatures without use of digital certificates or third party certificate authorities, which technology was generally covered by the claims of the ‘975 patent. Infraegis was to commercialize the DeepCloak™ technology covered by the ‘975 patent through the merger agreement between VPI and Infraegis.

Infraegis failed to commercialize the '975 patent or otherwise protect the VPI assets related to the '975 patent. VPI was a victim of Infraegis's failure to comply with the terms of the merger agreement, its failure to properly notify counsel to send notices to Infraegis, and its failure to otherwise take steps to pay the maintenance fee. The confusion and turmoil that surrounded Infraegis' failure to meet its obligations was outside VPI's control and contributed to the unavoidable delay in payment of the maintenance fee. The financial turmoil surrounding Infraegis's failure to meet the terms of the merger and inability to obtain financing following the financial crisis prevented VPI from taking steps to commercialize the '975 patent until November 2011, at which time it sought counsel to advise it on intellectual property issues. Once VPI learned of the delay in paying the maintenance fee, it took prompt steps to make the payment and file a corresponding petition to accept the avoidably delayed payment.

<u>The Halvorson Law Firm's Reliable Recordkeeping Was Not Properly Updated</u>

VPI retained the Halvorson Law Firm and relied upon their recordkeeping to prepare a patent application, prosecute the application, and monitor due dates for the '975 patent and the contact information for VPI. The Halvorson Law Firm maintained a docket using Amicus Attorney to track the maintenance fees and other due dates for the '975 patent. *See* Exhibit B, Declaration of Eric Sophir, at para. 4. VPI's reliance on the Halvorson Law Firm is considered appropriate due care and diligence. *See R.R. Donnelley & Sons Co. v. Dickinson*, 123 F.Supp.2d 456, 459 (N.D. Ill. 2000) (reliance on the skill and attention of authorized legal counsel is considered due care and diligence "generally used and observed by careful individuals in relation to their most important business"). The Halvorson Law Firm filed U.S. Patent Application No. 09/540,193 (the "'193 application"), entitled "A System, Method and Article of Manufacture for Securing Transactions Utilizing a Computer Network," which was assigned to VPI and issued on

February 15, 2005, as the '975 patent. VPI had frequent contact with the Halvorson Law Firm during the prosecution of the '193 application.

A start-up company does not always have a long-established address, and VPI is no exception. During the course of prosecution of the '193 application and after issuance of the '975 patent, VPI contact information changed often, but VPI updated the Halvorson Law Firm with each new address and telephone number. For example, during prosecution of the '193 application, the Halvorson Law Firm mailed correspondence to various addresses in Phoenix, AZ, and San Marcos, CA. *See* Exhibit C.

In 2004, VPI established an office at 3333 Warrenville Road, Suite 200, Lisle, Illinois 60532, a property managed by HQ Global Workspaces ("HQ"). *See* Exhibit D, Declaration of Jeffry Boston, at para. 5. While VPI had an office located at this address, VPI instructed the Halvorson Law Firm to use this address as the mailing address for patent-related matters. *Id*. HQ also provided VPI with a telephone number for the office at this address. *Id*. The Halvorson Law Firm mailed correspondence to VPI at that address, for example, from June 2004 through July, 2005. *See* Exhibit E.

On November 21, 2005, VPI entered into a merger agreement with Intelagents (which later changed its name to Infraegis) and transferred the management and control over the VPI assets to Infraegis. *See* Exhibit F. At about the same time in 2005, VPI ended the lease of the office at 3333 Warrenville Road, Suite 200, Lisle, Illinois 60532. *See* Exhibit D, Declaration of Jeffry Boston, at para. 8. At the end of the lease, HQ forwarded mail for a specified period of time. *Id*., at para. 8. Also, at the end of the lease, HQ terminated service on the telephone number used by VPI. *Id*. Infraegis took over responsibility for the intellectual property of VPI, including changing addresses for notice purposes and payment of any necessary fees.

In 2008, the Halvorson Law Firm became aware of the due date for the four-year maintenance fee and attempted to notify VPI. *See* Exhibit B, Declaration of Eric Sophir, at para. 5. On February 15, 2008, a six-month window for paying the four-year maintenance fee began, and the Halvorson Law Firm learned of this maintenance fee by tracking the maintenance fee due dates in its Amicus Attorney docket system. *Id.*, at para. 4. On February 18, 2008, the Halvorson Law Firm mailed a letter to Jeffry Boston at 3333 Warrenville Road, Suite 200, Lisle, Illinois 60532. *See* Exhibit G. Apparently, Infraegis had failed to take steps to notify the Halvorson Law Firm of the change in address for notice regarding the '975 patent. The U.S. Postal Service returned this letter to the Halvorson Law Firm. *See* Exhibit B, Declaration of Eric Sophir, at para. 6. As a result, VPI never received this letter. *See* Exhibit D, Declaration of Jeffry Boston, at para. 10. The Halvorson Firm was unable to reach VPI at the latest used address, and the telephone number used at that address was no longer in service for VPI. Despite the use of a docketing system by a responsible party and diligence in tracking the numerous address changes for the assignee, the Halvorson Law Firm attempted to timely contact VPI at an address that was no longer used and having a phone number no longer in service.

The Halvorson Law Firm did not pay the maintenance fee. Ultimately, the '975 patent became expired. Even after expiration, the Halvorson Law Firm, who VPI relied upon as its registered agent and primary contact with the U.S. Patent and Trademark Office, did not send a notice regarding the failure to pay the maintenance fee or the expiration of the '975 patent. *See* Exhibit D, Declaration of Jeffry Boston, at para. 11. The Halvorson Law Firm did not send any further notice or place further telephone calls because the first notice mailed on February 18, 2008 had been returned. *See* Exhibit B, Declaration of Eric Sophir, at para. 7. So VPI never received any notice from the Halvorson Law Firm, because the notice was sent to a different

address, and the notice was sent while Infraegis had assumed responsibility for maintenance of the '975 patent.

In 2008, when the payment became due, VPI did not receive any correspondence from the Halvorson Law Firm, and VPI had believed that Infraegis had taken over the ownership and control of the '975 patent pursuant to the 2005 Agreement. Even after the 2008 Release, despite its reasonable efforts to rectify the actions of Infraegis, VPI was not aware of the maintenance fee payment due at the U.S. Patent and Trademark Office. Despite reasonable care by the assignee to ensure the timely payment of the maintenance fee, the failed attempts to notify the assignee and the corporate confusion caused an avoidable situation for the assignee. But once the assignee became aware that the payment was due, the assignee attempted to diligently pay the outstanding maintenance fee.

<u>VPI Took Swift Action to Pay the Maintenance Fee</u>

VPI first realized that the '975 patent had been expired in November 2011 and took immediate steps to revive it by working with new patent counsel to diligently prepare a petition. *See* Exhibit D, Declaration of Jeffry Boston, at para. 14. All actions taken by VPI to avoid abandonment of the '975 patent have been reasonable and calculated to avoid the delay or non-payment of fees. VPI's delay in payment of the four-year maintenance fee was therefore unavoidable despite their reasonable care and the docketing by a responsible party.

In light of the foregoing facts and arguments, Petitioner respectfully requests reconsideration of the petition filed on April 23, 2012 and resubmitted on June 29, 2012 to revive the '975 patent and accept the four-year maintenance fee as unavoidably delayed.

The required Petition Fee of $400 is being paid currently herewith. In view of the foregoing, early reconsideration and granting of this request is most respectfully requested. The Commissioner is hereby authorized to charge any additional fees that may be required, or credit any overpayment, to Deposit Account No. 19-3140.

Respectfully submitted,

Dated: October 1, 2012

By: /Eric Sophir, Reg. No. 48,499/

Eric Sophir
Registration No. 48,499
SNR Denton US LLP
1301 K Street, NW
Suite 600, East Tower
Washington, DC 20005
(202) 408-6470

EXHIBIT A

GENERAL AND MUTUAL RELEASE

THIS GENERAL AND MUTUAL RELEASE *("Release")* is made this 28th day of April, 2008 by and between INFRAEGIS, INC. ("IA") a Delaware company, with offices located at 1612 Landmeier Road, Elk Grove Village, Illinois 60007, VERIFY AND PROTECT, INC. *("VPI")* a Delaware company, with offices located at 3333 Warrenville Road, Suite 200, Lisle, Illinois 60532, and Michael Lang, Chris Lang, and Jeffrey Boston, all certain shareholders of VPI (collectively, the *"VPI Shareholders")* (the VPI Shareholders and VPI are collectively referred to below as the *"VPI Parties")*.

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RECITALS:

WHEREAS, on November 21, 2005, VPI and IA entered into an agreement (the *"Prior Merger Agreement")* that contemplated that VPI would be merged into IA pursuant to terms and conditions provided for therein (the *"Proposed Merger")*;

WHEREAS, on or about November 21, 2005, IA paid $500,000.00 and further delivered to VPI a promissory note in the principal amount of $2,250,000.00 (the *"Proposed Merger Note")* in furtherance of the Proposed Merger;

WHEREAS, VPI and IA thereafter failed to complete the Proposed Merger as certain conditions were never satisfied and no certificate of merger has been filed by VPI or IA, the parties have previously represented and agreed that the Proposed Merger had been terminated, and the parties desire to more formally terminate and cancel the Prior Merger Agreement and Proposed Merger, and all other prior agreements by and between IA and the VPI Parties, upon the terms and conditions stated herein;

WHEREAS, IA has claimed that VPI collected for itself $53,000 which was to be paid to IA, and which IA has requested be paid to IA *("IA Claim")*;

WHEREAS, VPI claims to be in the business of developing, designing and producing user authentication and data encryption software;

WHEREAS, VPI claims that it designed, produced and patented DeepCloak™, a self-contained technology that authenticates users, generates all keys dynamically, encrypts data and creates digital signatures without use of digital certificates or third party certificate authorities (collectively the *"VPI Products")*;

WHEREAS, VPI claims that the VPI Products are designed and produced to provide software developers, device makers and corporation IT departments the best means to secure their applications with the DeepCloak™ technology;

WHEREAS, IA claims to be in the business of providing advanced wired and wireless products and services for protection of fixed and mobile assets against theft, tampering or terrorist attacks using nuclear, chemical or biological materials;

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WHEREAS, the parties hereto wish to resolve all disputes between themselves, without any admission of liability, including but not limited to the IA Claim;

NOW, THEREFORE, in consideration of the recitals and mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and between IA and the VPI Parties as follows:

1. *Recitals.* The foregoing recitals are incorporated as an integral part of this Agreement.

2. *Termination and Cancellation of Prior Merger Agreement and Proposed Merger.* To the extent not otherwise formally terminated and canceled prior to this Agreement, the Prior Merger Agreement and Proposed Merger, the Proposed Note, and all other agreements by and between IA and the VPI Parties, are hereby terminated and canceled, and any obligations or rights owed pursuant to such agreements are hereby released to the fullest extent possible.

3. *Return of all VPI Products.* The IA Releasing Parties (as defined below) shall, upon execution of this Agreement, immediately return to VPI all of the VPI Products in their possession or control (exclusive of any VPI Products in the possession or control of IA's former attorneys, Carroll & Sain), together with a representation that all such VPI Products have been returned to VPI in accord with this Agreement and that the IA Releasing Parties do not claim any interest in or right to utilize any of the VPI Products. VPI hereby grants a fully paid license to IA covering any use by IA of the VPI Products prior to the execution of this Agreement.

4. *Releases by IA Releasing Parties.* IA, on behalf of itself and all of its affiliates, predecessors, successors and assigns, respective past and present officers, directors, shareholders, partners, members, managing members, employees, agents, representatives, administrators, attorneys, insurers, fiduciaries, heirs, and executors, in their individual and representative capacities *("IA Releasing Parties")*, forever release VPI, the VPI Shareholders, and all of their past and present officers, directors, shareholders, partners, members, managing members, employees, agents, representatives, administrators, attorneys, insurers, fiduciaries, heirs, and executors, in their individual and representative capacities ("VPI *Released Parties")* from any and all causes of action, agreements, damages, judgments, claims, debts, covenants, executions and demands of any kind whatsoever, which the IA Releasing Parties ever had, now have or may have against the VPI Released Parties, or any *of* them, in law or equity, whether known or unknown, for, upon, or by reason *of,* any matter whatsoever occurring up to the date of this Agreement, including without limitation any matter in connection with or in relation to: (i) the Proposed Merger, Prior Merger Agreement; and Proposed Merger Note received by VPI (ii) the IA claim; and (iii) any other matter between any parties to this Agreement. IA and the VPI Parties intend for this release to be construed as a general release.

5. *Releases by VPI Released Parties.* The VPI Released Parties hereby forever release the IA Releasing Parties from any and all causes of action, agreements, damages, judgments, claims, debts, covenants, executions and demands of any kind whatsoever, which the VPI Released Parties had, now have or may have against the IA Releasing Parties or any of them, in law or equity, whether known or unknown, for, upon, or by reason of, any matter

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whatsoever occurring up to the date of this Agreement, including without limitation any matter in connection with or in relation to: (i) the Proposed Merger, Prior Merger Agreement, and Proposed Merger Note received by VPI; (ii) claims involving any investments by the VPI Released Parties in IA; and (iii) any other matter between any parties to this Agreement. IA and the VPI Parties intend for this release to be construed as a general release. Further, Boston represents and warrants that he is not entitled to any shares, warrants, or other interests in IA pursuant to any agreement with IA and that any such agreement between IA and Boston is not of any force and effect, and Boston forever releases any claim of right relating to any warrants to purchase IA stock.

6. *Nondisparagment.* IA and the VPI Parties agree that from and after the date of this Agreement, they will not make or solicit or encourage others to make any untrue allegations, statements or remarks, either oral or written, concerning any of the parties hereto. The parties agree that they and their respective successors, assigns and attorneys shall keep the terms of this Agreement confidential except to the extent any Party makes disclosures to its attorneys or tax advisors, any Party seeks to enforce this Agreement. If asked, the Parties shall state that the matters between then have been resolved. IA and the VPI Parties also agree to forever refrain from directly or indirectly (a) disparaging each other, or their officers, directors, employees, agents, attorneys, representatives, or related entities; or (b) encouraging, voluntarily participating in or, cooperating with any other party in any lawsuit, investigation, claim or action involving any other party to this agreement unless required to do so by law. Nothing in this provision shall preclude any claim that may arise by virtue of a breach of an undertaking or promise set forth in this Agreement.

7. *Dismissal With Prejudice All Actions Brought by IA.* Upon execution of this Agreement, IA shall take all action necessary to cause an immediate dismissal, with prejudice, of Michael Lang from those actions currently pending in Delaware Chancery Court, Civil Action Nos. 2235-N and 2229-N. IA further represents and warrants that it has not brought any other actions that are currently pending against Michael Lang, VPI, or any of the other VPI Released Parties.

8. *Voluntary and Knowing Execution:* The IA Releasing Parties and the VPI Parties represent that they have read and fully understand the terms of this Agreement, and that they had had the opportunity to consult with an attorney prior to signing this Agreement. The IA Releasing Parties and the VPI Released Parties acknowledge that they are executing this Agreement voluntarily and knowingly and have not relied on any representations, promises or agreements of any kind made in connection with the parties' decision to accept the terms of this Agreement, other than those set forth in this Agreement. The parties also represent that each has the requisite authority to enter into this Agreement.

9. *Notices.* All notices related to this Agreement shall be made in writing as follows: (a) by actual delivery into the hands of the party entitled to receive it or by facsimile to such party, in which case the notice shall be deemed given on the date it is sent; or (b) by, Federal Express or any other carrier, in which case the notice shall be deemed given on the second day following the date it is deposited with such carrier. All notices provided under this Agreement shall be to the last known address of the party entitled to receive it. Any party to this Agreement

may change its address for notice purposes, by providing written notice of the change of address to each of the other parties. All notices under this Agreement shall be addressed as follows:

(a) if to IA Releasing Parties: InfrAegis, Inc.
1612 Landmeier Road
Suite F
Elk Grove Village, IL 60007

Attention: James R. Zilka, CFO

(b) if to VPI Released Parties, to: VPI Inc.
3333 Warrenville Road, Suite 200
Lisle, IL 60532

with a copy to: David T. B. Audley
Chapman and Cutler LLP
111 West Monroe Street
Chicago, IL 60603

10. *Governing Law.* The laws of the State of Illinois (other than those pertaining to conflicts of law) shall govern all aspects of this Agreement, irrespective of the fact that one of the parties now is or may become a resident of a different state or country. The parties shall submit all disputes which arise under this Agreement to state or federal courts located in Illinois for resolution. Each party irrevocably submits itself to the jurisdiction of said courts for the purpose of all said disputes. The parties acknowledge the aforesaid courts shall have exclusive jurisdiction over this Agreement, and specifically waive and agree not to assert by way of motion or as a defense any claims which they may have that involve jurisdiction or venue, including but not limited to forum non conveniens. Service of process for any claim which arises under this Agreement shall be valid if mailed to the party being served, by first-class mail, Federal Express, UPS, or another carrier. If service of process is made as aforesaid, the party served agrees that such service shall constitute valid service, and specifically waives any objections the party served may have under any state or federal law or rule concerning service of process. Service of process in accordance with this section shall be in addition to and not to the exclusion of any other service of process method legally available.

11. *No Assignment.*: The parties hereto represent and warrant that they have not previously assigned any rights or duties identified herein, or any of the claims being released hereby.

12. *No Other Agreements.* This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

13. *Counterparts.* This Release may be signed in counterparts with the same effect as if the signatures hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties have executed and delivered this Settlement Agreement as of the date first stated above.

INFRAEGIS INC.

By ______________________
Gregory E. Webb, Chairman, CEO and President

VERIFY AND PROTECT, INC.

By ______________________
Michael Lang, individually and as Chairman, CEO and President of Verify and Protect, Inc.

By ______________________
Chris Lang, individually as a shareholder of Verify and Protect, Inc.

By
Jeffrey Boston, individually as a shareholder of Verify and Protect, Inc.

EXHIBIT B

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Patent No.: **6,856,975**

Application No.: **09/540,193**

Applicant: **Frank Inglis** Group Art Unit: **3624**

Assignee: **Verify & Protect, Inc.** Examiner: **Weisberger, Richard C**

Filed: **March 30, 2000**

Granted: **February 15, 2005**

For: **SYSTEM, METHOD, AND ARTICLE OF MANUFACTURE FOR SECURE TRANSACTIONS UTILIZING A COMPUTER NETWORK**

DECLARATION OF ERIC SOPHIR

1. I, Eric Sophir, hereby state and affirm the following:

2. On September 4, 2012, I conducted a telephone conversation with Kris Halvorson of the Halvorson Law Firm.

3. On September 17, 2012, and again on September 20, 2012, Kris Halvorson sent emails to me regarding his handling of the maintenance fee due date for the '975 patent.

4. Based on my conversation and correspondence with Kris Halvorson, he stated that he monitored the due date of the maintenance fee for the '975 patent using an Amicus Attorney docketing system.

5. Based on my conversation and correspondence with Kris Halvorson, he stated that he attempted to notify VPI about the due date of the maintenance fee for the '975 patent by sending a letter to VPI on February 18, 2008. Mr. Halvorson provided me with a copy of the February

18, 2008 letter, which he represented was a true and correct copy of the letter he mailed to VPI, a copy of which is attached to the Request as Exhibit G.

6. Based on my conversation and correspondence with Kris Halvorson, he stated that the letter he mailed to VPI on February 18, 2008 was returned to him.

7. Based on my conversation and correspondence with Kris Halvorson, he stated that he was unable to reach VPI regarding the payment of the maintenance fee.

8. Based on my conversation and correspondence with Kris Halvorson, he stated that the Halvorson Law Firm did not pay the maintenance fee for the '975 patent because he had not received instructions from VPI to effect payment.

9. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true and further that the statements are made with the knowledge that willful statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements jeopardize the validity of the application or any patent issuing thereon.

October 1, 2012

/Eric Sophir, Reg. No. 48,499/
Eric Sophir
Reg. No. 48,499

EXHIBIT C

The Halvorson Law Firm, P.C.

Patents, Trademarks, Copyrights, Trade Secrets & Licensing

Kristofer E. Halvorson, Ph.D., J.D.*
* Registered Patent Attorney

June 8, 2004

Via US Mail

Frank Inglis
1586 Glencrest Dr.
San Marcos, California 92078

Re: Response to Office Action for Pending Patent Application

Dear Frank,

Please find enclosed the response I filed today for the outstanding office action for your pending patent application entitled "System, method, and article of manufacture for secure transactions utilizing a computer network".

We should receive another office action within the next few months.

Sincerely,

Kristofer E. Halvorson
Attorney at Law

KEH/doc

Enclosures:

405 W. Southern Ave., Suite 1
Tempe, Arizona 85282
Tel: (480) 449-3600
Fax: (480) 449-3100
E-Mail: Halvorson@tmpatentlaw.com

The Halvorson Law Firm, P.C.

Patents, Trademarks, Copyrights, Trade Secrets & Licensing

Kristofer E. Halvorson, Ph.D., J.D.*
Patricia L. Carpenter, R.N., J.D.
* Registered Patent Attorney

June 8, 2000

Via US Mail

Frank Inglis
3215 E. Muirwood Dr.
Phoenix, AZ 85044

Re: Correction of Patent Application Filing Receipt
Our File No. 515-001

Dear Frank,

The Filing Receipt we received from the United States Patent and Trademark Office has several errors. Accordingly, I have requested correction of these errors. Please find enclosed a copy of the correction request for your records.

If you have any questions on foreign filing, feel free to call me.

Sincerely,

Kristofer Halvorson
Attorney at Law

KEH/doc

Enclosures: Request for correction of Filing Receipt

405 W. Southern Ave., Suite 1
Tempe, Arizona 85282
Tel: (480) 449-3600
Fax: (480) 449-3100
E-Mail: Halvorson@tmpatentlaw.com

The Halvorson Law Firm, P.C.

Patents, Trademarks, Copyrights, Trade Secrets & Licensing

Kristofer E. Halvorson, Ph.D., J.D.*
Patricia L. Carpenter, R.N., J.D.
* Registered Patent Attorney

June 8, 2000

Via US Mail

Frank Inglis
3215 E. Muirwood Dr.
Phoenix, AZ 85044

Re: Patent Application Filing Receipt
Our File No. 515-001

Dear Frank,

We have received a Filing Receipt for your patent application issued by the United States Patent and Trademark Office. Enclosed is a copy of the filing receipt. Please note the following information for records:

Application No.:	09/540,193
Filing Date:	03/31/2000
Group Art Unit:	2768
Foreign Filing License Granted:	06/03/2000

The Foreign Filing License allows you to file your patent application in foreign countries. If your application is filed in a foreign country within one year of your U.S. filing date shown above, your foreign application may receive the benefit of your U.S. filing date. If an application is filed in a foreign country more than one year from your U.S. filing date, you may risk losing your rights in the foreign country where you wish to file.

If you have any questions on foreign filing, feel free to call me.

Sincerely,

Kristofer Halvorson
Attorney at Law

KEH/doc

Enclosures: Filing Receipt

405 W. Southern Ave., Suite 1
Tempe, Arizona 85282
Tel: (480) 449-3600
Fax: (480) 449-3100
E-Mail: Halvorson@tmpatentlaw.com

EXHIBIT D

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Patent No.: **6,856,975**

Applicant: **Frank Inglis**

Assignee: **Verify & Protect, Inc.**

Filed: **March 30, 2000**

Granted: **February 15, 2005**

Title: **SYSTEM, METHOD, AND ARTICLE OF MANUFACTURE FOR SECURE TRANSACTIONS UTILIZING A COMPUTER NETWORK**

DECLARATION OF JEFFRY BOSTON

1. I, Jeffry Boston, hereby state and affirm the following:

2. I am a Director and Manager of Verify and Protect, Inc. ("VPI"), the assignee of all of the rights and interest to U.S. Patent No. 6,856,975 (the "'975 patent"). During the time period of 2000 through 2005, I served as President of VPI.

3. On March 30, 2000, the Halvorson Law Firm, on behalf of inventor Frank Inglis and, after assignment, VPI filed U.S. Patent Application Serial No. 09/540,193 (the "'193 application"). At the time of the application, Frank Inglis was contracted to VPI and, pursuant to that contract relationship and an Assignment By Inventor of Patents executed by Mr. Inglis, he assigned all right, title and interest to the '193 application to VPI.

4. On February 15, 2005, the '193 application issued as the '975 patent. I understood that certain fees were to be paid in connection with the patent application and issued patent as required by the U.S. Patent and Trademark Office. To ensure timely payment of all fees, VPI relied on the Halvorson Law Firm to correctly docket the maintenance fee due dates on their Amicus Attorney docketing system and provide notice when payments were due.

5. In 2004, VPI established an office at 3333 Warrenville Road, Suite 200, Lisle, Illinois 60532, a property managed by HQ Global Workspaces ("HQ"). While VPI had an office located at this address, VPI used this address as the mailing address for VPI. HQ also provided VPI with a telephone number for the office at this address. VPI provided the Halvorson Law Firm with this address and telephone number to contact VPI about patent-related matters.

6. On November 21, 2005, Intelagents, Inc., which later changed its name to Infraegis, agreed to acquire all of the assets and liabilities of VPI through merger, and Infraegis was to assume all management and control of the assets of VPI, including such intellectual property assets as the '975 patent. The parties contemplated that Infraegis would commercialize the DeepCloak™ technology covered by the '975 patent through the 2005 acquisition of VPI assets by merger. Infraegis failed to commercialize the '975 patent or otherwise protect the VPI assets related to the '975 patent.

7. Based on the 2005 Agreement between VPI and Infraegis, VPI believed that Infraegis was responsible for payment of the maintenance fees of the '975 patent.

8. In late 2005, at about the same time as Infraegis's acquisition by merger, VPI ended the lease of the office at 3333 Warrenville Road, Suite 200, Lisle, Illinois 60532. HQ forwarded mail for VPI to another address for a limited amount of time. At the end of the lease, HQ terminated the telephone number assigned to the office of VPI at that address. Infraegis took over responsibility for the intellectual property of VPI, including changing addresses for notice purposes and payment of any necessary fees.

9. In April 2008, Infraegis and VPI agreed that certain conditions precedent to the 2005 Agreement were never met and that the transfer of assets failed to occur, despite the fact that

Infreagis had taken control of the assets and responsibility for their maintenance. The parties executed a General and Mutual Release ("2008 Release") to further document their understanding. After the 2008 Release, VPI was not aware that a maintenance fee was due on the '975 patent.

10. VPI never received a letter from the Halvorson Law Firm mailed on February 18, 2008 regarding the due date for the payment of the maintenance fee. VPI never received a telephone call from the Halvorson Law Firm about the maintenance fee.

11. As of February 15, 2009, VPI had not received any notice from the Halvorson Law Firm, or any other source, that a maintenance fee payment was due.

12. VPI did not receive a notice of abandonment from the U.S. Patent and Trademark Office or from the Halvorson Law Firm.

13. Due to the financial crisis, VPI was not able until November 2011, to begin to take steps to develop, implement, and practice the invention of the '975 patent. In connection with those efforts, we engaged counsel to advise on intellectual property rights.

14. After engaging counsel in November 2011, VPI learned that the four-year maintenance fee payment for the '975 patent had become due but had not been paid. VPI promptly instructed counsel to prepare a petition to revive the '975 patent.

15. VPI was not aware of the due date for the Maintenance Fee and was relying upon its patent counsel, the Halvorson Law Firm, to notify VPI of the fees that were due to the U.S. Patent and Trademark Office in connection with preserving the patent rights for the '975 patent. VPI never received any form of notice from the Halvorson Law Firm, or any other source, that a maintenance fee payment was due.

16. All actions taken by VPI with respect to the '975 patent have been reasonable and calculated to ensure proper handling of the '975 patent and avoid non-payment of fees.

17. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true and further that the statements are made with the knowledge that willful statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements jeopardize the validity of the application or any patent issuing thereon.

September 28, 2012

Jeffry K. Boston
Director, Verify and Protect, Inc.

EXHIBIT E

The Halvorson Law Firm, PC
1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
6/16/2004	791

BILL TO
Verify & Protect Attn: Jeff Boston 3333 Warrenville Road, Suite 200 Lisle, Illinois 60532

DUE DATE
6/16/2004

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
3/29/2004	Telephone call to Boston, Jeff --voice mail-- Call to Jeff about invoices and telephone number please call back.	0.1	250.00	25.00
4/6/2004	Telephone call to Boston, Jeff --spoke-- RE status of invoices and Office Action.	0.1	3,000.00	300.00
6/8/2004	Drafted and submitted response to office action 09/540,193, Inglis extension of time		250.00 210.00	250.00 210.00

Total	$785.00
Balance Due	$785.00

The Halvorson Law Firm, PC

1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
11/3/2004	810

BILL TO
Verify and Protect Inc 3333 Warrenville Road, Stite 200 Lisle, Illinois 60532

DUE DATE
11/3/2004

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
11/3/2004	Continuation Fee for Inglis Application		395.00	395.00
11/3/2004	Issue Fee for 09/540,193		685.00	685.00
	Total Reimbursable Expenses			1,080.00
11/9/2004	TC's to JB re patent application and status; Meeting with JB re patent application; drafting Continuation Application; submission of Continuation and Issue Fees	5	175.00	875.00

Total	$1,955.00
Balance Due	$255.00

The Halvorson Law Firm, PC

1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
12/20/2004	815

BILL TO
Verify and Protect Inc 3333 Warrenville Road, Stite 200 Lisle, Illinois 60532

DUE DATE
12/20/2004

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
11/9/2004	Pay Issue Fee -	0.2	175.00	35.00
11/18/2004	Telephone call to Boston, Jeff --spoke-- Returning his call.	0.1	175.00	17.50
11/22/2004	Telephone call to Boston, Jeff -spoke-- Returning his call.	0.1	3,000.00	300.00
12/16/2004	Arrange for corrected drawings to be submitted to USPTO.	0.5	175.00	87.50
12/17/2004	Submit corrected drawings to USPTO.	0.4	175.00	70.00
12/20/2004	Formal Drawings for US pat app 09/540,193		240.00	240.00

Total	$750.00
Balance Due	$750.00

The Halvorson Law Firm, PC

1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
3/7/2005	858

BILL TO
Verify & Protect Attn: Jeff Boston 3333 Warrenville Road, Suite 200 Lisle, Illinois 60532

DUE DATE
3/7/2005

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
2/1/2005	Receipt and review of Issue Notification; update file information; docket maintenance fees; letter and copy to clt re same.	0.5	250.00	125.00
2/22/2005	Telephone call to Boston, Jeff --voice mail-- Please call back.	0.2	250.00	50.00

Total	$175.00
Balance Due	$175.00

The Halvorson Law Firm, PC

1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
4/6/2005	881

BILL TO
Verify & Protect Attn: Jeff Boston 3333 Warrenville Road, Suite 200 Lisle, Illinois 60532

DUE DATE
4/6/2005

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
4/5/2005	Telephone call to Boston, Jeff --spoke-- Returning his call; voice mail box full; TC with Jeff Boston.	0.3	175.00	52.50

Total	$52.50
Balance Due	$52.50

The Halvorson Law Firm, PC

1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
5/9/2005	891

BILL TO
Verify & Protect Attn: Jeff Boston 3333 Warrenville Road, Suite 200 Lisle, Illinois 60532

DUE DATE
5/9/2005

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
4/28/2005	Telephone call to Boston, Jeff --spoke-- Returning his call; look up L3; send Gregg Webb a brief description of additional markets that the technology could be applied to; call to Gregg Webb.	0.2	259.00	51.80

Total	$51.80
Balance Due	$51.80

The Halvorson Law Firm, PC

1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
6/20/2005	926

BILL TO
Verify & Protect Attn: Jeff Boston 3333 Warrenville Road, Suite 200 Lisle, Illinois 60532

DUE DATE
6/20/2005

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
5/2/2005	Telephone call to Boston, Jeff --voice mail-- tried to get a hold of Greg Webb; no return call.	0.2	250.00	50.00
6/20/2005	Receipt and review of Notice of Publication; update file information; cpy to clt re same	0.5	250.00	125.00

Total	$175.00
Balance Due	$175.00

The Halvorson Law Firm, PC

1757 E. Baseline Rd., Ste 130
Gilbert, Arizona 85233
(480) 892-2037 Phone
(480) 892-2479 Fax

Legal Services Invoice

DATE	INVOICE #
7/12/2005	938

BILL TO
Verify & Protect Attn: Jeff Boston 3333 Warrenville Road, Suite 200 Lisle, Illinois 60532

DUE DATE
7/12/2005

SERVICE DATE	DESCRIPTION	QTY (hrs)	RATE	AMOUNT
6/20/2005	Receipt and review of Notice of Publication; update file information; copy and letter to client regarding same.	0.5	175.00	87.50

Total	$87.50
Balance Due	$87.50

The Halvorson Law Firm, P.C.

Patents, Trademarks, Copyrights, Trade Secrets & Licensing

Via US Mail

March 01, 2005

Jeff Boston
Verify & Protect
3333 Warrenville Rd., Ste 200
Lisle, IL 60532
US

Re: Encryption Patent
US Pat. No. 6,856,9751

Dear Jeff,

Please find enclosed the grant of patent for the first "System, Method, and Article of Manufacture for Secure Transactions Utilizing a Computer Network" patent application.

This patent was granted on Feb. 15, 2005. There are three maintenance fees due in order to maintain the patents enforceability. The first one is due between 3 and 3.5 years after the patent issue date; the second one is due between 7 and 7.5 years after the patent issue date; and the third and final one is due between 11 and 11.5 years after that patent issue date. While I have already docketed these dates, please make a note of these dates in your calendar.

If you have any questions, please feel free to give me a call.

Yours very truly,

Kristofer E. Halvorson

Encl.

1757 E. Baseline Rd. Ste 130
Gilbert, Arizona 85233E-Mail: Halvorson@tmpatentlaw.com
Tel: (480) 892-2037
Fax: (480) 892-2479

UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	ISSUE DATE	PATENT NO.	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/540,193	02/15/2005	6856975	515-001	3636

7590 01/26/2005

KRISTOFER E. HALVORSON
THE HALVORSON LAW FIRM P.C
1757 E. BASELINE RD STE. 130
GILBERT, AR 85233

ISSUE NOTIFICATION

The projected patent number and issue date are specified above.

Determination of Patent Term Extension under 35 U.S.C. 154 (b)
(application filed after June 7, 1995 but prior to May 29, 2000)

The Patent Term Extension is 0 day(s). Any patent to issue from the above-identified application will include an indication of the 0 day extension on the front page.

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Extension is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (http://pair.uspto.gov).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571) 272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at (703) 305-8283.

APPLICANT(s) (up to 18 names are included below, see PAIR WEB site http://pair.uspto.gov for additional applicants):

Frank Inglis, Phoenix, AZ;

EXHIBIT F

AGREEMENT

This Agreement (the "**Agreement**") is made on ________________, 2005, by and among **VPI Acquisition, Inc.**, a company established under the laws of the State of Delaware, with offices located at 304 East Fairview Street, Suite 203, Arlington Heights, IL 60005 (the "**Purchaser**"), **Intelagents, Inc.**, a company established under the laws of the State of Delaware, with offices located at 304 East Fairview Street, Suite 203, Arlington Heights, IL 60005 ("**Intelagents**"), **Verify and Protect, Inc.**, a company established under the laws of the State of Delaware, with offices located at 3333 Warrenville Road, Suite 200 Lisle, IL 60532 ("**VPI**"), **VPI Target, Inc.**, a company established under the laws of the State of Delaware, with offices located at 3333 Warrenville Road, Suite 200 Lisle, IL 60532 ("**Seller**") and all the shareholders of VPI (the "**VPI Shareholders**"). The principal contact for VPI and Seller is Jeffry Boston (the "**Seller Principal**"), or any other person identified to all the parties in writing. Purchaser, Intelagents, VPI, Seller and the VPI Shareholders constitute the "**Parties**" to this Agreement.

RECITALS:

Whereas, VPI is in the business of developing, designing and producing user authentication and data encryption software;

Whereas, VPI designed and produced and patented DeepCloak™, a self-contained technology that authenticates users, generates all keys dynamically, encrypts data and creates digital signatures without use of digital certificates or third party certificate authorities (collectively the "**Products**");

Whereas, Intelagents currently maintains a website at "www.intelagentsinc.com;" and VPI currently maintains a website at "www.verifyandprotect.com;"

Whereas, the Products are designed and produced to provide software developers, device makers and corporation IT departments the best means to secure their applications with the DeepCloak™ technology;

Whereas, Purchaser is a wholly owned subsidiary of Intelagents;

Whereas, Intelagents is in the business of providing advanced wired and wireless products and services for protection of fixed and mobile assets against theft, tampering or terrorist attacks using nuclear, chemical or biological materials;

Whereas, immediately prior to the closing of the transactions contemplated by this Agreement, VPI shall contribute to Seller all of the assets of VPI and Seller shall assume certain liabilities of VPI;

Whereas, this Agreement contemplates a tax-free merger of Seller into Purchaser in a reorganization pursuant to Section 368(a)(1)(A) of the Internal Revenue Code.

Now, Therefore, for and in consideration of the mutual covenants contained herein, it is agreed by and between the parties as follows:

1. **General Provisions**

1.1 The foregoing recitals are incorporated as an integral part of this Agreement.

1.2 The VPI Shareholders agree: (a) within ___ days following the date of this Agreement, to provide to the Purchaser a complete and fully executed Personal and Business Representation for the VPI Shareholders which is attached hereto as **Schedule 1** to this Agreement and which the VPI Shareholders agree to update with material changes thereto as they become known to the VPI Shareholders; (b) to provide the Purchaser and its officers with status reports regarding VPI's ongoing business activities; (c) not to divulge or appropriate for their own use, or for the use of others any Confidential Information (as defined in Section 1.3 below) without the Purchaser's prior written authorization; and (d) that all the Purchaser's and Intelagents' software, hardware, documents, work papers and products shall remain the sole and exclusive property of the Purchaser and Intelagents, and will be returned to the Purchaser or Intelagents in the event the transactions contemplated by this agreement are not consummated or are terminated pursuant to this Agreement.

1.3 Each Party acknowledges that by virtue of this Agreement, it will be exposed to certain confidential information belonging to the other Parties, including but not limited to information about their respective general business operations, internet technology, software, hardware, codes, client information, budgets, debts, tax identification numbers, and other proprietary information (collectively referred to as "**Confidential Information**"). Confidential Information does not include information that (a) was previously known by a Party at the time of receipt, (b) was in the public domain at the time of receipt or thereafter entered the public domain without fault of the recipient, (c) corresponds to information which was furnished to the recipient by a third party lawfully entitled to do so, (d) was developed independently by personnel of the recipient who had no access to the information or (e) is required to be disclosed in legal proceedings. The Parties agree not to use, copy, remove from the control of the Party owning the Confidential Information, or divulge any Confidential Information at any time except as required or permitted by this Agreement. The Parties further agree to take all reasonable steps necessary, or reasonably requested by the other Parties, to ensure that all Confidential Information is kept confidential. The Parties also agree that the restrictions set forth herein are necessary and reasonable to protect each other's legitimate and protectable interests. The Parties agree to be responsible for any breach of this provision by any of their respective representatives regardless of whether such breach occurs in or outside the course of their services on behalf of said Party. In the event there is a termination of this Agreement, all Confidential Information shall be immediately returned to the Party owner.

1.4 The Parties further agree that they (a) shall not, directly or indirectly, dispute or contest the strictly confidential nature of the Confidential Information as disclosed to them or as developed by them in their work with another Party; (b) shall not, directly or indirectly, assist any third party in disputing or contesting the same; and (c) shall not, directly or indirectly,

circumvent, or ask or cause or allow any third party to circumvent the Confidential Information of any Party hereto.

1.5 The Parties acknowledge that any unauthorized disclosure of the Confidential Information of any Party hereto, written or verbal, could cause substantial and irreparable harm to such Party, jeopardize the security programs of its customers and endanger the safety of the public. Therefore, the Parties agree that in the event they breach this covenant of confidentiality, non-disclosure, non-circumvention and non-compete or cause or allow any third parties to do so, the damaged Party shall have, in addition to other remedies available in event of a breach of this covenant, the right to injunctive, punitive or other equitable relief; and, that the prevailing party shall be entitled to recover costs and reasonable attorneys fees. This provision pertains to all Confidential Information, existing documents and those created in the future.

2. The Merger

2.1 The Merger. Subject to the terms and conditions hereof, at the Effective Time (as defined in Section 2.2 below), Seller shall be merged with and into the Purchaser (the "**Merger**") in accordance with the applicable provisions of the General Corporation Law of the State of Delaware ("**DGCL**"), and the Purchaser, as the surviving corporation in the Merger (in such capacity, the "**Surviving Corporation**"), shall continue its corporate existence, and the separate existence of Seller shall thereupon cease and its corporate existence shall be merged into and transferred to the Surviving Corporation.

2.2 Consummation of the Merger; Effective Time. On the Closing Date (as herein defined) and subject to the satisfaction and performance of the terms and conditions of this Agreement, the Parties will file with the Secretary of State of Delaware a certificate of merger and other documents (the "**Merger Documents**"), in such respective forms as required by, and executed in accordance with, the relevant provisions of the DGCL in order to effect the Merger. The Merger shall become effective at such time as the Merger Documents shall have been accepted for filing with the Secretary of State of Delaware or such other times and dates as the Parties shall agree should be specified in the Merger Documents (the "**Effective Time**").

2.3 Effect of the Merger.

(a) At the Effective Time, the Surviving Corporation shall succeed, without any other action, to all rights and property of Seller and shall be subject to all the debts and liabilities of Seller in the same manner as if the Surviving Corporation had itself incurred them, all with the effect set forth in the DGCL.

(b) At the Effective Time, the certificate of incorporation and the bylaws of the Purchaser, as in effect immediately prior to the Effective Time, shall thereafter continue in full force and effect as the certificate of incorporation and the bylaws of the Surviving Corporation until thereafter changed or amended as provided therein and by the DGCL.

(c) At the Effective Time, the officers and directors of the Purchaser, as in effect immediately prior to the Effective Time, shall thereafter continue as the officers and

directors of the Surviving Corporation to serve in accordance with the bylaws of the Surviving Corporation.

2.4 Merger Consideration. The total consideration (the "**Merger Consideration**") to be paid in connection with the transactions contemplated by this Agreement shall be as set forth below:

(a) An amount equal to Two Million Two Hundred Fifty Thousand Dollars ($2,250,000) (the "**Cash Merger Consideration**"), evidenced by a Promissory Note in similar form and substance as attached hereto as **Exhibit A** (the "**Promissory Note**"), to be paid in cash in accordance with the following schedule:

(i) For each incremental Five Million Dollars ($5,000,000) of equity funding and/or customer contract payments received by the Purchaser, the VPI Shareholders shall receive payment of $500,000; provided, that, that the first $500,000 payment will be paid upon the receipt by the Purchaser of $4,300,000 in funding and/or customer contract payment.

(ii) The payments set forth in (i) above shall continue until such time as an aggregate amount of Two Million Two Hundred Fifty Thousand Dollars ($2,250,000) has been paid.

(b) Three Million Fifty Thousand (3,050,000) shares of the capital stock of Intelagents (the "**Stock Merger Consideration**").

2.5. VPI shall provide to the Purchaser a listing of the issued and outstanding shares of the capital stock of VPI and list the VPI Shareholders by name. VPI shall identify to the Purchaser an allocation of the Stock Merger Consideration and the Cash Merger Consideration to be paid to each of the VPI Shareholders and officers of VPI. Such listing of the allocations of the Stock Merger Consideration and the Cash Merger Consideration from VPI shall be provided and detailed in **Schedule 2.5** attached hereto; and, the listing of the stock ownership as well as a listing of all officers and employees of VPI shall be provided and detailed in **Schedule 2.5(a)** attached hereto

2.6. Employment of Seller Principal. The consummation of the transactions contemplated by this Agreement is conditioned upon the Seller Principal agreeing to be employed by the Purchaser. At such time that Purchaser has sufficient revenues (in the sole discretion of Purchaser), the Seller Principal and the Purchaser shall enter into an Employment Agreement which will cover a minimal period of three years and which establishes the authority, duties and responsibilities as an executive in the Purchaser. Prior to the termination of this three-year period, the Parties agree to renegotiate in good faith the financial covenants of such employment for an additional three-year period. The Employment Agreement shall provide an initial annual salary of $190,000. In addition to salary, the Seller Principal shall be provided with 200,000 shares of the capital stock of Intelagents; which stock shall become vested 50,000 shares per year on each anniversary date of the date of this Agreement, for each of the next three years, provided that the Seller Principal remains employed by the Purchaser. In addition, Seller Principal shall use his best efforts to have Frank Inglis, the Chief Technical Officer of VPI, agree to enter into

an Employment Agreement with the Purchaser once the purchaser has sufficient revenues at an annual salary of $190,000.

3. Non-Competition Covenant.

All of VPI Shareholders agree, for a period of five (5) years following the Closing Date, not to compete or engage, directly or indirectly, in the business of the Purchaser to the extent Purchaser's business involves the business activities of VPI or Seller at the time of the Closing Date and/or involves business activities utilizing the assets purchased from Seller under this Agreement (**"Restricted Business Activities"**). This provision shall apply to the VPI Shareholders directly and shall include, but not be limited to, their activities in business as owners, partners or agents, or as employees of any person, firm, corporation or other entity engaged in such business, or in being interested directly or indirectly in any such business conducted by any person, firm, corporation or other entity. All such Seller hereto: (a) recognize that the value of the business of VPI and the Seller is based in large measure on the personal business relationships of the Seller and VPI; (b) acknowledge that a failure of the VPI Shareholders to comply with this covenant significantly diminishes the transactions contemplated by this Agreement; and, (c) agree that the provisions of this covenant shall survive the closing of this Agreement. The Non-competition Agreement to be executed by all of the VPI Shareholders is attached hereto as **Exhibit C**.

4. The Closing.

The closing of the transactions contemplated by this Agreement (the **"Closing"**) will be held at the offices of Howard W. Carroll, P.C., 7250 North Cicero Avenue, Suite 201, Lincolnwood, Illinois, or at another place or under another acceptable process agreed to by the Parties, on ______, 2005, or any other date agreed to by the Parties. All required Schedules of this Agreement shall be provided by each Party to the other at least 5 business days before the Closing.

5. Representations and Warranties

5.1 Seller and VPI Representations and Warranties. The Seller, VPI and VPI Shareholders, jointly and severally, represent and warrant to the Purchaser as follows:

(a) Corporate Status. Each of Seller and VPI is a corporation duly organized and existing in good standing under the laws of the State of Delaware and is qualified to do business with full power, corporate and otherwise, to carry on its business and own its properties. Accurate and complete copies of the certificate of incorporation and bylaws of the Seller and VPI, including all amendments and certificates of good standing, are attached as **Schedule 5.1(a)**. Each of the Seller and VPI is qualified to do business and in good standing in all jurisdictions where the nature of its activities or ownership of properties requires such qualification and has duly filed all franchise and other tax returns required to be filed by the laws of such states and jurisdictions and has paid all taxes shown to be due and payable in such returns.

(b) Capitalization. The present equity capitalization of the Seller and VPI is as set forth in **Schedule 5.1(b)**. All outstanding capital stock of the Seller and VPI is validly issued, fully paid and non-assessable. Except as set forth in **Schedule 5.1(b)**, neither the Seller nor VPI has any authorized, issued or outstanding securities convertible into or exchangeable for capital stock, nor does any person or entity hold any option or right to purchase or otherwise acquire any shares of capital stock or any securities convertible into or exchangeable for such capital stock. Neither the Seller nor VPI has declared or has any outstanding commitments to pay, any dividend or to make any distribution or transfer of assets to its shareholders or persons affiliated with them, nor adopted or committed to any change in its equity capitalization.

(c) Title to Outstanding Shares. The shareholders of Seller and VPI, as listed, own all outstanding shares of Seller's and VPI's capital stock, free and clear of all pledges, liens, encumbrances, security interest, and claims whatsoever. Without limitation, none of the Seller, VPI nor their respective shareholders, officers, directors, agents, employees, or other representatives are parties to any existing agreement restricting the sale or transfer of the shares of Seller's or VPI's capital stock.

(d) Subsidiaries. Neither Seller nor VPI has any subsidiaries except those listed in **Schedule 5.1(d)**. Except as set forth in **Schedule 5.1(d)**, the Seller or VPI, as applicable, owns all of the authorized and outstanding stock of any subsidiary free and clear of all pledges, liens, encumbrances, security interests, mortgages, deeds of trust, claims or restrictions.

(e) Corporate Authorization. The execution, delivery and performance by Seller and VPI of this Agreement and all other agreements and transactions contemplated herein have been duly authorized on the part of Seller and VPI by all requisite corporate action and will not violate or conflict with their respective certificates of incorporation or bylaws or with any law regulation, judgment, order, restriction or agreement to which they are subject.

(f) Consents. No consent, approval, permit, registration, filing or notice to or with any governmental agency or third party is required on the part of Seller or VPI for the execution, delivery and performance of this Agreement except as expressly provided herein.

(g) Financial Statements. (i) The financial statements of VPI for fiscal years ended December 31, 2003 and 2004 and for the nine (9) months ended September 30, 2005 are attached as **Schedule 5.1(g)** and reflect fairly the financial condition of VPI at such dates and their results of operations, retained earnings and changes in financial position for the fiscal years or shorter period then ended in accordance with generally accepted accounting principles consistently applied. All liabilities and obligations, existing and contingent, of VPI as of the date of this Agreement and as of the Closing Date are fairly reflected or disclosed and described in its financial statements and the notes thereto. Since the date of the last audit, VPI has conducted its activities only in the ordinary course and no material change in its financial conditions, results of operations or retained earnings occurred during such period. The net worth of VPI immediately prior to the consummation of the transactions contemplated by this Agreement will be no less than the net worth of VPI on December 31, 2004.

(h) Taxes. VPI has delivered to Purchaser complete and correct copies of the federal, state and local tax returns of VPI for each of the four years ended December 31, 2001, 2002, 2003 and 2004. Such returns and the information contained therein have been properly and accurately compiled and completed and accurately reflect the tax liabilities of VPI for the periods covered thereby. VPI has filed all federal, state and local tax returns which are required to be filed and has paid or made adequate provision for the payment of all taxes which have become or may become due with respect to operations during the periods to which such returns relate. VPI has delivered to Purchaser complete and correct copies of the reports of any audit of the income tax returns of VPI and of any deficiency letter and/or proposed assessment issued at the end of any such audit and all subsequent correspondence and documents relating thereto, except as disclosed in **Schedule 5.1(h).**

(i) Litigation, Proceedings or Claims. Except as described in **Schedule 5.1(i)** there is no litigation, governmental proceeding or investigation, or claim pending or threatened against Seller or VPI or their respective properties or business or against or relating to the transactions contemplated by this Agreement.

(j) Description of Properties, Contracts and Material Information. **Schedule 5.1(j)** is an accurate and complete list as of the date of this Agreement of: (i) all real property and all items of equipment presently owned or leased by the Seller or VPI with a brief description of each property and its use, copies of title instruments and leases, and details relating to any liens, encumbrances or claims thereto and any direct or indirect interest therein of any of the Seller's or VPI's directors or officers; (ii) all patents, trademarks, trade names, copyrights and intellectual properties including all registration thereof and applications therefore presently owned in whole or in part by the Seller or VPI, and all patent, trademark or copyright and intellectual property licenses to which the Seller or VPI is a party; (iii) all bonds, debentures, notes, stock or other securities other than stock of subsidiaries already listed in a schedule hereto, and all accounts receivable other than trade accounts receivable which are not more than 90 days old, held or owned by the Seller or VPI; (iv) all policies of insurance in force covering or owned by the Seller or VPI; (v) all loan agreements or bank credit agreements in effect, setting forth the amount of the original loan, the unpaid balance, the interest rate and payments, the maturity date, any prepayment penalties and the name of the lender; (vi) all material agreements to which the Seller or VPI is a party except that the Seller and VPI may omit agreements made in the ordinary course of business which are terminable by the Seller or VPI by notice of not more than 90 days without penalty or which do not obligate the Seller or VPI in amounts in excess of $25,000 in the aggregate per agreement; (vii) all employment contracts with any officers and employees whose current annual salary rate is U.S. $50,000 or more, together with a description of all incentive, compensation, bonus, profit sharing retirement, pension or other similar plans or arrangements for any of such officers or employees and (viii) all agents, consultants and independent contractors retained by Seller or VPI, with a brief description of the arrangement for compensation, and all persons, if any, holding a power of attorney, to act on their behalf (ix) all agreements and transactions entered into and in force with any officer, director or stockholder of the Seller or VPI or any person related to any of them, except for agreements which are terminable by the Seller or VPI within 90 days without penalty or which do not obligate the Seller or VPI in amounts in excess of $25,000 in the aggregate per agreement. Complete and correct copies of all agreements, instruments or other documents relating to the items referred to

above are provided and disclosed in Schedule 6.1(j) and have been delivered or made available to the Purchaser. Neither Seller nor VPI, nor to the knowledge of Seller and VPI any other party thereto, is in material default on any obligation to be performed by it under any contract described in this section, or in material violation of any law, ordinance, regulation, order or decree applicable to it.

(k) Legal Compliance. Seller and VPI are in compliance with all laws, regulations, permits and orders applicable to their respective business and assets. Neither Seller nor VPI is infringing any patent, trademark or copyright or intellectual property or using or disclosing without authorization any trade secret of third parties except as disclosed in **Schedule 5.1(k)**.

(l) Employee Relations. Since January 1, 2002, VPI has not experienced any work interruptions, organization campaigns or other concerted actions by its employees and has not received any complaints of failure to comply with equal employment opportunity law except as disclosed in **Schedule 5.1(l)**.

(m) Employee Benefit Plans. All employee benefit plans, as defined in the Employee Retirement Income Security Act of 1974, as amended, covering present and former employees of VPI have been fully disclosed in **Schedule 5.1(m)**, including, without limitation, all commitments to provide employee benefits. Any plans intended to be qualified plans and trusts intended to be exempt organizations under the Internal Revenue Code are qualified and exempt and VPI has determination letters evidencing such status. There has been, and is, no reportable event, accumulated funding deficiency, termination liability, withdrawal liability or prohibited transaction in connection with such plans. VPI has no obligations to provide post-retirement health, medical, death or other welfare benefits. All group health plans have been maintained in compliance with the Internal Revenue Code. All vacation, severance and similar plans or policies of VPI have been fully and accurately disclosed in the foregoing schedules.

(n) Real Property. Neither Seller nor VPI owns or leases any real property.

(o) Broker's Fees. Neither Seller nor VPI has any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

6. **Representations and Warranties of Purchaser.**

The Purchaser and Intelagents, jointly and severally, represent and warrant to the Seller and VPI as follows:

(a) Corporate Status. Each of Purchaser and Intelagents is a corporation duly authorized and existing in good standing under the laws of the State of Delaware with full corporate power and authority to carry out the transactions contemplated by this Agreement.

(b) Corporate Authorization. The execution, delivery and performance by Purchaser and Intelagents of this Agreement and all other agreements and transactions

contemplated herein have been duly authorized on the part of Purchaser and Intelagents by all requisite corporate action and will not violate or conflict with their respective certificates of incorporation or bylaws or with any law regulation, judgment, order, restriction or agreement to which they are subject.

(c) Consents. No consent, approval, permit, registration, filing or notice to or with any governmental agency or third party is required on the part of Purchaser or Intelagents for the execution, delivery and performance of this Agreement except as expressly provided herein.

(d) Broker's Fees. Neither Purchaser nor Intelagents has any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

7. Conditions Precedent to the Obligations of the Parties.

7.1 Conditions to the Obligations of Purchaser. The obligation of Purchaser and Intelagents to close the transactions contemplated by this Agreement is subject to the following conditions:

(a) Representations and Warranties. The representations and warranties of Seller and VPI shall continue to be true and correct in all material respects on the Closing Date and Seller and VPI shall have performed all covenants and other obligations, including payment of the Merger Consideration, required of them under this Agreement.

(b) No Material Adverse Change. There shall have been no material adverse change in Seller's or VPI's business, assets, financial condition or results of operations.

(c) Delivery of Certain Documents. Seller and VPI shall have delivered to Purchaser and Intelagents at the Closing all of the documents described and requested in this Agreement.

(d) The Purchaser shall have satisfactorily completed its due diligence investigation of the Seller and VPI.

(e) VPI shall have filed a certificate of amendment to VPI's Certificate of Incorporation with the Delaware Secretary of State to change its name to such name other than "Verify and Protect, Inc." or any similar or confusing name as shall be reasonably satisfactory to Purchaser and Purchaser shall have the right to use the name "Verify and Protect, Inc." and other similar names from and after the Closing.

(f) All of the assets of VPI set forth on VPI's financial statements for the nine (9) months ended September 30, 2005 shall have been contributed by VPI to Seller and specific liabilities of VPI disclosed herein shall have been assumed by Seller.

(g) VPI shall be liquidated promptly following the Closing.

7.2 Conditions to the Obligations of the Seller and VPI. The obligations of the Seller and VPI to close the transactions contemplated by this Agreement are subject to the following conditions:

(a) Representations and Warranties. The representations and warranties of Purchaser and Intelagents shall continue to be true and correct in all material respects on the Closing Date and Purchaser and Intelagents shall have performed all covenants and other obligations required of them under this Agreement.

8. Documents to be delivered at Closing.

8.1 Documents Delivered by the Seller and VPI. At the Closing, the Seller and VPI shall deliver to the Purchaser the following documents:

(a) Such evidence of corporate existence, qualification, good standing, incumbency of officers, adoption of resolutions and evidence of other corporate procedures and authority as may reasonably be requested by counsel for the Purchaser.

(b) Evidence that any property transfers cited in any of the Schedules have been made.

(c) A certificate signed by the Seller and VPI updating and reaffirming the representations and warranties set forth in this Agreement and confirming performance of all the covenants set forth in this Agreement to the extent they are to be performed by them on or before the Closing Date.

(d) "Comfort Letters and current statements" from ________________________, the certified public accountants of VPI dated the Closing Date, in the form attached as **Schedule 8.1(d)**.

(e) A release signed by the Seller, VPI and Seller Principal in the form attached as **Schedule 8.1(f)**.

(f) Certificates representing all issued and outstanding shares of Common stock of VPI held by the VPI Shareholders together with stock powers endorsed in blank with the signature guarantees of a bank included in **Schedule 10.1(f)**.

(g) Non-competition Agreements executed by each of the VPI Shareholders.

8.2 Documents to be delivered by Purchaser and Intelagents. At the Closing and upon fulfillment of the conditions described in this Agreement, the Purchaser and Intelagents shall deliver documents and make payments as follows:

(a) Such evidence of corporate existence, qualification, good standing, incumbency of officers, adoption of resolutions and evidence of other corporate procedures and authority as may reasonably be requested by counsel for the Seller.

(b) A certificate signed by an officer of the Purchaser updating and reaffirming its representations and warranties set forth in this Agreement and confirming performance of all the covenants set forth in this Agreement to the extent they are to be performed by the Purchaser on or before the Closing Date.

(c) The Promissory Note.

(d) The Stock Merger Consideration.

8.3 Simultaneous Delivery. All documents delivered at the Closing shall be deemed to have been delivered simultaneously.

9. Indemnification

9.1 Agreement by Seller, VPI and the VPI Shareholders to Indemnify. Seller, VPI and the VPI Shareholders, jointly and severally, hereby indemnify, protect, defend and forever hold Purchaser, Intelagents and their assignees, shareholders, officers and employees harmless in respect of the aggregate of all indemnifiable damages of Purchaser and Intelagents. For this purpose, "indemnifiable damages" of Purchaser and Intelagents means the aggregate of all fees, expenses, losses, costs, deficiencies, liabilities and damages (including reasonable attorney fees and expenses) incurred or suffered by Purchaser or Intelagents (a) resulting from any inaccurate representation or warranty made by Seller or VPI hereunder, or (b) resulting from any default in the performance of any of the covenants or agreements made by Seller or VPI in this Agreement. Purchaser shall have the right to set off any indemnifiable damages of Purchaser and Intelagents against the Promissory Note.

9.2 Agreements by Purchaser and Intelagents to Indemnify. Purchaser and Intelagents, jointly and severally, hereby indemnify, protect, defend and forever hold Seller, VPI and the VPI Shareholders harmless in respect of the aggregate of all indemnifiable damages of Seller, VPI and the VPI Shareholders. For this purpose, "indemnifiable damages" of Seller, VPI and the VPI Shareholders means the aggregate of all fees, expenses, losses, costs, deficiencies, liabilities and damages (including reasonable attorney fees and expenses) incurred or suffered by Seller, VPI and the VPI Shareholders resulting from (a) any inaccurate representation or warranty made by Purchaser or Intelagents hereunder or (b) resulting from any default in the performance of any of the covenants or agreements made by Purchaser or Intelagents in this Agreement.

9.3 Matters Involving Third Parties. If any third party shall notify any party (the "**Indemnified Party**") with respect to any matter which may give rise to a claim for indemnification against any other Party (the "**Indemnifying Party**") under this Section 10, then the Indemnified Party shall notify each Indemnifying Party thereof promptly; provided, however, that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve the Indemnifying Party from any liability or obligation hereunder unless (and then solely

to the extent) the Indemnifying Party thereby is actually and directly damaged. In the event any Indemnifying Party notifies the Indemnified Party within 15 days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, (a) the Indemnifying Party will defend the Indemnified Party against the matter with counsel of its choice satisfactory to the Indemnified Party, (b) the Indemnified Party may retain separate co-counsel at its sole cost and expense (except that the Indemnifying Party will be responsible for the fees and expenses of the separate co-counsel to the extent the Indemnified Party concludes that the counsel the Indemnifying Party has selected is, in its reasonable belief, inadequate or will be ineffective or has a conflict of interest), (c) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the matter without the written consent of the Indemnifying Party (not to be withheld or delayed unreasonably), and (d) the Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto, without the written consent of the Indemnified Party (not to be withheld or delayed unreasonably). In the event no Indemnifying Party notifies the Indemnified Party within 15 days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, however, the Indemnified Party may defend against, or enter into any settlement with respect to, the matter in any manner it may deem appropriate.

9.4 Survival of Representations and Warranties. The representations and warranties of Seller and VPI contained in Sections 6.1(a), 6.1(b), 6.1(c), 6.1(e), 6.1(f), 6.1(h) and 6.1(i) shall survive the Closing hereunder and continue in full force and effect forever thereafter, subject to any applicable statutes of limitations. All of the other representations and warranties of the Parties contained in this Agreement shall survive the Closing and continue in full force and effect thereafter for a period of eighteen (18) months.

10. General Provisions.

10.1 Further Actions. The Parties agree to execute and deliver from time to time hereafter any and all such further documents and to take such further actions as shall be reasonably necessary to carry out the transactions contemplated by this Agreement.

10.2 Non-Assignability. Neither this Agreement nor any rights hereunder may be assigned or otherwise transferred directly or indirectly by any Party without the prior written consent of the other Parties and any attempt to do so shall be null and void, provided that this Agreement and the rights and obligations herein shall inure to the benefit of, and be binding upon, the executors, administrators, heirs and successors of the Parties.

10.3 Entire Agreement. In entering into and closing this Agreement, no Party has relied or shall rely upon any promises, representations and warranties not expressed herein, and this Agreement expresses their entire agreement on the subject matter.

10.4 Amendment and Waiver. Neither this Agreement nor any provision or provisions herein may be amended or waived except by a written amendment or new agreement executed by all the Parties.

10.5 Governing Law. The validity, interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Illinois without regard to the application of its conflict of laws rules. The Parties agree that the exclusive venue for any disputes, actions or conflicts with respect to this Agreement shall be the Illinois state or United States federal courts located in Chicago, Illinois, and each Party waives its right to trial by jury.

10.6 Notices. All notices or other communications hereunder shall be given in writing and shall be deemed to be, if duly given if delivered or mailed, first class postage prepaid, to the following addresses:

To the Seller or VPI:

Copy to:

To the Purchaser or Intelagents:	Gregory E. Webb, Chairman and CEO 304 E. Fairview Street Arlington Heights, IL 60005
Copy to:	Howard W. Carroll, Esq. Howard W. Carroll, P.C. 7250 N. Cicero Ave., Suite 201 Lincolnwood, IL 60712

10.7 Expenses. Each Party shall pay all costs and expenses incurred by it (including, without limitation, the payment of all fees and expenses of its counsel) in carrying out its respective obligations under this Agreement and the transactions contemplated herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the ____________ day of ______________, 2005.

VPI ACQUISITION, INC.

By: ____________________________
Gregory E. Webb, Chairman and CEO

INTELAGENTS, INC.

By: ____________________________
Gregory E. Webb, Chairman and CEO

VERIFY AND PROTECT, INC.

By:_________________________________
Jeffry Boston, CEO

VPI TARGET , INC.

By:_________________________________
Jeffry Boston, CEO

VPI SHAREHOLDERS

____
Jeffry Boston

____
[ ]

____
[ ]

<u>EXHIBIT A</u>

PROMISSORY NOTE

EXHIBIT B

NON-COMPETITION AGREEMENT

EXHIBIT G

The Halvorson Law Firm, P.C.

Patents, Trademarks, Copyrights, Trade Secrets & Licensing

Via US Mail

February 18, 2008

Jeff Boston
Verify & Protect
3333 Warrenville Rd., Ste 200
Lisle, IL 60532 US

Re: Encryption Patent Maintenance Fee Reminder
Patent No. 6,856,975
Issue Date: February 15, 2005

Dear Jeff,

This is a reminder that the first maintenance fee is now due on the above referenced patent. This maintenance fee is due between 3 and 3.5 years after the issue date. Thus, we have until August 15, 2008 to pay the maintenance fee of $565.00 (without a lay filing surcharge).

I also remind you that you still have an outstanding bill for $2331.80, which relates to the filing of the Continuation application that was filed at your request.

In order to pay this maintenance fee, you will need provide me the $565.00 for the maintenance fee and $2331.80 (total $2896.80) before August 8, 2008.

Yours very truly,

Kristofer E. Halvorson

1757 E. Baseline Rd. Ste 130
Gilbert, Arizona 85233E-Mail: Halvorson@tmpatentlaw.com
Tel: (480) 892-2037
Fax: (480) 892-2479